## Remarks

In response to the Office Action mailed May 3, 2007, Applicants request reconsideration of this application in view of the following remarks.

Claims 1-4 and 6-9 were rejected under 35 U.S.C. 102(b) over U.S. Pat. No. 6,437,050 to Krom. This rejection is traversed. The Examiner is thanked for the indication of allowability for the subject matter of claim 5.

Regarding the rejection of claims 1-4 and 6-9, the Examiner alleges that Krom teaches a functional group associated with the outer layers of the nanoparticle. Column 4, lines 34-63 was specified as teaching this limitation of the claims. This passage of Krom, however, deals with microstructure control agents. These agents do not functionalize the outer layer of the nanoparticle. They are used to control the reaction conditions so that the formation of certain microstructures are favorable. For example, the 1,2 vinyl content may be made more favorable by adding a microstructure control agent. These agents may be added to cause the polymers in the outer layer to have a different microstructure, but they would not functionalize the outer layer polymers.

Applicants submit that claims 1-9 are now in condition for allowance. The Examiner is respectfully requested to enter this Response and pass this case to issue.

Respectfully submitted,

JONES DAY

Nathan T. Lewis (Reg. No. 56,218)

Jones Day

North Point, 901 Lakeside Avenue

Cleveland, Ohio 44114

(216) 586-7078